

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2015-075-00657R

Parcel No. 1221258018

Lance R. Sitzmann,
Appellant,

v.

Plymouth County Board of Review,
Appellee.

Introduction

This appeal came on for consideration before the Property Assessment Appeal Board (PAAB) on November 24, 2015. Lance R. Sitzmann was self-represented and requested a written consideration. County Assessor Robert Heyderhoff represented the Plymouth County Board of Review.

Sitzmann is the owner of a residential, one-story home located 380 17th Street SE, Le Mars. The home was built in 1998 and has 2845 square feet of above grade finish, a full basement with 2050 square-feet of living-quality finish, and a four-car attached garage. It also has a 555 square-foot deck, a patio, and open porch. The site is 0.660 acres.

The property's January 1, 2015, assessment was \$476,410, allocated as \$60,540 in land value and \$415,870 in improvement value. On his protest to the Board of Review, Sitzmann wrote in several areas of the form; however, essentially he asserted a single claim, that the property was assessed for more than authorized by law under Iowa Code section 441.37(1)(a)(1)(b).

The Board of Review reduced the assessment to \$466,410, allocated as \$50,540 in land value and \$415,870 in improvement value. Sitzmann then appealed to PAAB.

He now asserts the property's correct fair market value is \$400,000.

Findings of Fact

In support of his claim, Sitzmann submitted a Restricted Appraisal prepared by Glen Broek with Northwest Appraisal Services, Inc, Sioux Center. Broek developed the sales comparison approach in arriving at his opinion of a fair market value of \$400,000, as of May 2015. (Ex. 1).

Broek submitted three comparable properties for his sales comparison analysis, summarized in the following chart.

	Date of Sale	Sale Price	Site Size (Acres)	Gross Living Area	SP/SF	Adjusted Sale Price	Adjusted SP/SF
Subject	N/A	N/A	0.66	2845	N/A	N/A	N/A
1414 16th Ave SE	Nov-14	\$330,000	0.36	2425*	\$136.08	\$365,700	\$150.80
1390 Turnberry Ave	Oct-14	\$359,500	0.35	1774	\$202.65	\$434,000	\$244.64
715 Central Ave NW	May-14	\$330,000	0.69	1866	\$176.85	\$399,500	\$214.09

Broek described the subject as good quality and well maintained. However, he also notes the property has not been updated and has a dated décor, and has some deferred exterior maintenance to the roof, deck, and other outside improvements. (Ex. 1 p. 6).

The Plymouth County Board of Review submitted a letter prepared by Assessor Robert Heyderhoff outlining its position. Heyderhoff is critical of Broek's appraisal on several points.

First, Heyderhoff notes that Broek reports Sale 1, located at 1414 16th Avenue SE, as having 2425 square feet of gross living area (GLA), when it actually has 2301 square feet of GLA. (Ex. B). We note that correcting this error would change the adjusted sale price to \$373,000 or \$162.10 per-square-foot.

Furthermore, Heyderhoff asserts that Broek failed to consider two properties that were more comparable than those used in his analysis. The Board of Review submitted these sales, and Heyderhoff adjusted them using Broek's methodology. The sales are summarized in the following chart. (Ex. G).

	Date of Sale	Sale Price	Site Size (Acres)	Gross Living Area	SP/SF	Adjusted Sale Price	Adjusted SP/SF
Subject	N/A	N/A	0.66	2845	N/A	N/A	N/A
1794 Willow Run Blvd	May-14	\$475,000	0.92	2922	\$162.56	\$480,400	\$164.41
1226 Turnberry Ave	Sep-14	\$478,000	0.40	2038	\$234.54	\$537,420	\$263.70

Heyderhoff asserts the sale located at 1794 Willow Run Boulevard is the best comparable and requires the fewest percentage of adjustments. (Ex. A). We agree this sale appears to be the most similar comparable in the record based on its size and age. We question why Broek failed to consider these two properties in his analysis, which are both more similar in size than his Sales 2 and 3.

Considering Broek's Sale 1 (with corrected GLA) and Heyderhoff's comparable properties, the adjusted sale price per-square-foot ranges from \$162.10 to \$263.70. The subject's assessed value per-square-foot of \$163.94 falls at the lower end of this range and is most similar to the adjusted sale price per-square-foot of 1794 Willow Run Boulevard, which we find based on the record, is the sale most similar to the subject property.

Conclusions of Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2015). PAAB is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB considers only those grounds presented to or considered by the Board of Review, but determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. §§ 441.37A(1)(a-b). New or additional evidence may be introduced, and PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). In this case, Sitzmann has not shifted

the burden; in order to prevail he must show his property is over assessed based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm's-length sale of the property. *Id.* Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available to determine market value then "other factors," such as income and/or cost, may be considered. § 441.21(2).

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code under section 441.37(1)(a)(1)(b), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995).

Broek's appraisal and conclusion of market value for the subject property includes three sales, one of which clearly misreports the sale property's size (Sale 1). Additionally, the two remaining sales are roughly 1000 square feet smaller than the subject property.

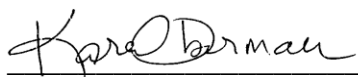
The Board of Review submitted two additional sales that it asserts are better than those considered by Broek and are more comparable in size. It adjusted the sales using Broek's own methodology. Considering these two sales, and Broek's Sale 1 with the correct size, these properties have adjusted sales prices ranging from \$162.10 to \$263.70. Moreover, we find the most similar property in the record, located at 1794 Willow Run Blvd, has an adjusted sale price-per-square-foot of \$164.41 almost approximate to the subject's assessment. We, therefore, conclude, the preponderance of the evidence fails to show the subject property is over assessed.

Order

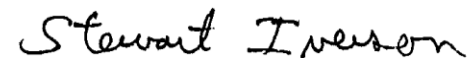
IT IS THEREFORE ORDERED the January 1, 2015, assessment of the subject property as set by the Board of Review is affirmed.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2015). Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action. Any judicial action challenging this Order shall be filed in the district court where the property is located within 20 days of the date of this Order and comply with the requirements of Iowa Code sections 441.38; 441.38B, 441.39; and Chapter 17A.

Dated this 8th day of December 2015.



Karen Oberman, Presiding Officer



Stewart Iverson, Board Chair



Jacqueline Rypma, Board Member

Copies to:

Lance Sitzmann

Robert Heyderhoff